
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 8.3.2009

Wall Street Journal: "REIT Rally Facing a Challenge ... While housing may be nearing a bottom, commercial real estate likely has much further to fall. And that could snuff out a significant rally in real-estate-investment-trust stocks."

Wall Street Journal: "The New Bond Equation ... Investors usually turn to these funds for safety. But bond funds are facing a host of pressures that are driving down returns, raising long-term risk-and making it tougher to settle on the right investment strategy."

New York Times, Editorial: "Troubled Banks, Huge Bonuses ... Bankers' compensation must be aligned with the performance of their strategies over the entire period in which they put their bank's capital at risk. One way would be to make bonuses vest gradually over a period of years, while investments mature. Establishing a better compensation structure for the 100 top bankers at Citi and Bank of America will not solve the problem. But it could provide a template for a broader overhaul."

New York Times, Krugman: "Rewarding Bad Actors ... Americans are angry at Wall Street, and rightly so. First the financial industry plunged us into economic crisis, then it was bailed out at taxpayer expense. And now, with the economy still deeply depressed, the industry is paying itself gigantic bonuses. If you aren't outraged, you haven't been paying attention."

Washington Post: "Another Leg of Freddie Mac's Long Relay ... Next month, Koskinen will drop his CEO responsibilities when Charles E. Haldeman takes office. The Washington Post spoke with Koskinen about Freddie Mac and its role in the mortgage market. Here is an edited excerpt of that discussion:"

USA Today: "Three more Bank of America board members resign ... Three more directors resigned from Bank of America's board this week, the bank said in a regulatory filing."

Los Angeles Times: "Consumer Financial Protection Agency: an overview ... The proposed agency's powers and oversight would go beyond mortgages and real estate. Here's a rundown of what the agency could do, who's for and against it, and how it might affect you."

Los Angeles Times, Lazarus: "Credit card industry enters a new era ... New rules aimed at reining in some of the worst abuses of the industry take effect between now and February. But rest assured that banks will seek new ways to shake down cardholders for cash."

Reuters: "Obama administration hopeful on 'clunker' extension ... The Obama administration expressed optimism on Sunday that the U.S. Senate will extend the federal 'cash for clunkers' auto sales incentive program, but warned it would be suspended at midweek without new funding."

Bloomberg: "Opel Tops GM's Agenda as Whitacre Leads First Meeting ... General Motors Co.'s 13-member board, overhauled with 7 new directors after bankruptcy, will review bids for the Opel brand as part of its first meeting beginning today, people familiar with the planning said."

The Hill: "Geithner, Greenspan say recession nearing end ... Treasury Secretary Timothy Geithner and former Fed chairman Alan Greenspan say the United States is climbing its way out of recession."

